(d) whether it is also a fact that several producers of bulk drugs got unintended benefits running into crores of rupees and what steps have been taken to fix responsibility?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (d) The prices of 55 indigenously produced controlled bulk drugs were revised on 30th August, 25th September, 30th September and 9th October, 1991 due to the impact on input costs on account of the change in exchange rate of rupee against major foreign currencies announced in July, 1991 on the basis of the available cost data as per the provisions of the DPCO, 1987. This step was taken by Government to avoid shortages.

Price of Bulk Drugs

1348. SHRI RAJNI RANJAN SAHU:
SHRIMATI SATYA BAHIN:
SHRI ANANT RAM JAISWAL:

Will the PRIME MINISTER be pleased to state:

(a) what are the names of the bulk drugs and formulations prices of which have been increased or decreased after Ist January, 1993;

(b) what were their earlier and revised prices and what was the percentage increase of decrease in each case and what were the reasons for such an increase;

(c) whether it is a fact that BICP tailors the consumption norms of major inputs and oberheads to give price escalations;

(d) if so, the details thereof; and

(e) what are the details of cases where BICP estimates were found wrong and unsatisfactory during the last three years and what action was taken in each case?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (b) The prices of indigenously produced price controlled bulk drugs have been revised in 90 cases after Ist January, 1993. These prices have been notified from time to time in the Extraordinary Gazette of India, the copies of which are available in the Parliaments, whose prices have been revised after Ist January, 1993, the number runs into thousands and the time and labour involved in compiling such information will not be commensurate with the results likely to be achieved. The prices of these bulk drugs and formulations, have been notified from time to time in crease/decrease in input costs including those of imported materials and escalation is worked out in accordance with the escalation formula given by BICP in their cost-cum-technical study reports and other cost data.

(c) to (e) The prices of bulk drugs are fixed/revised by this Ministry on the basis of the examination of the cost-cum-technical studies conducted by BICP in accordance with the provisions laid down under the DPCO, 1987. The BICP is an expert body of the Government on this subject. BICP's report are inputs for the decision making process of price fixation and where considered necessary clarifications on the cost-cum-technical study, are sought from the BICP before fixing the prices.

Customs duty exemption to drugs Intermediates penultimates

1349. SHRI RAJNI RANJAN SAHU:
DR. NARREDDY THULASI REDDY:
SHRIMATI SATYA BAHIN:

Will the PRIME MINISTER be pleased to state:

(a) what are the names of drugs whose intermediates and penultimates have been either exempted from custom duty or concessional custom duty has been granted during last five years, year-wise;

(b) what was the price of each bulk drug before duty exemption or concessional duty and what is its present pri-

(c) whether Government has reduced the price of any the finish medicines based on these bulk drugs; and

(d) if so, names of such medicines, earlier price, reduced price and date on which each price was reduced?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (d) The purpose of giving custom duty concessions on drug intermediates and raw materials is to encourage the manufacture of bulk drugs and formulations from more basic stage, to save foreign exchange and also to ensure the availability of medicines in abundant quantity at reasonable prices to the consumer. The names of drugs whose intermediates and penultimates have been either exempted from custom duty or concessional custom duty has been granted during the last five years, are given in the various notifications issued by Ministry of Finance from time to time, copies of which are available in the Parliament Library.

The prices of scheduled bulk drugs and formulations are fixed/revised from time to time in consultation with BICP on the basis of latest duty structure.

Due to reduction in customs duty on various bulk drugs and drug intermediates/raw materials as announced in the budget for the year 1993-94, the Government has reduced the prices of 35 indigenously produced price controlled bulk drugs having imported contents w.e.f. 17.6.1993. Due to the impact of reduction in prices of these bulk drugs, BICP has been asked to work out the revised prices of formulations based on these drugs.

Price of Ceftazidime and Cefotaxim

1350. SHRIMATI SATYA BAHIN: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that inspite of monopoly situation, price on Ceftazidime and Cefotaxim has not been conrolled;

(b) whether it is also a fact that major producers did not pass on the benefit or custom duty reduction to the consumers and if so, what was the magnitude of the benefits withheld;

(c) whether any decision has been taken that till review of the drug policy is completed, implementation of the old policy be held in abeyance; and

(d) if so, when was such a decision taken and at what level and what are the details of the same?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) A Background note on review of Drug Policy, 1986 has been placed on the Table of the House on 12-8-1992 for discussion;

(b) The customs duty on bulk drug Ceftazidime and Cefotaxim was reduced in July, 1991 and September, 1991 respectively. However, the actual import at zero per cent duty took place only in November/December, 1991 after necessary amendment in the Notification. Before customs duty reduction, the Cefotaxim Injection in the finished form was being imported at zero per cent duty and company was selling imported formulations with 50 per cent MAPE. After withdrawing custom duty on bulk drug Ceftazidime, the company started marketing of indigenously manufactured formulations with higher MAPE, being a de-controlled formulation. The names of formulation based on bulk drug Cefotaxim were reduced in May, 1992 from Rs. 198.80 per vial to Rs. 143 per vial.

(c) No, Sir.

(d) Does not arise.

Consumer price of Carbamezapine

1351. SHRIMATI SAYTYA BAHIN: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that during 1991-92 the CIF import price of Carbamezapine was Rs. 1614 per kg. and landed cost was Rs. 3318 per kg. Yet the